



Minnesota State Demographic Center

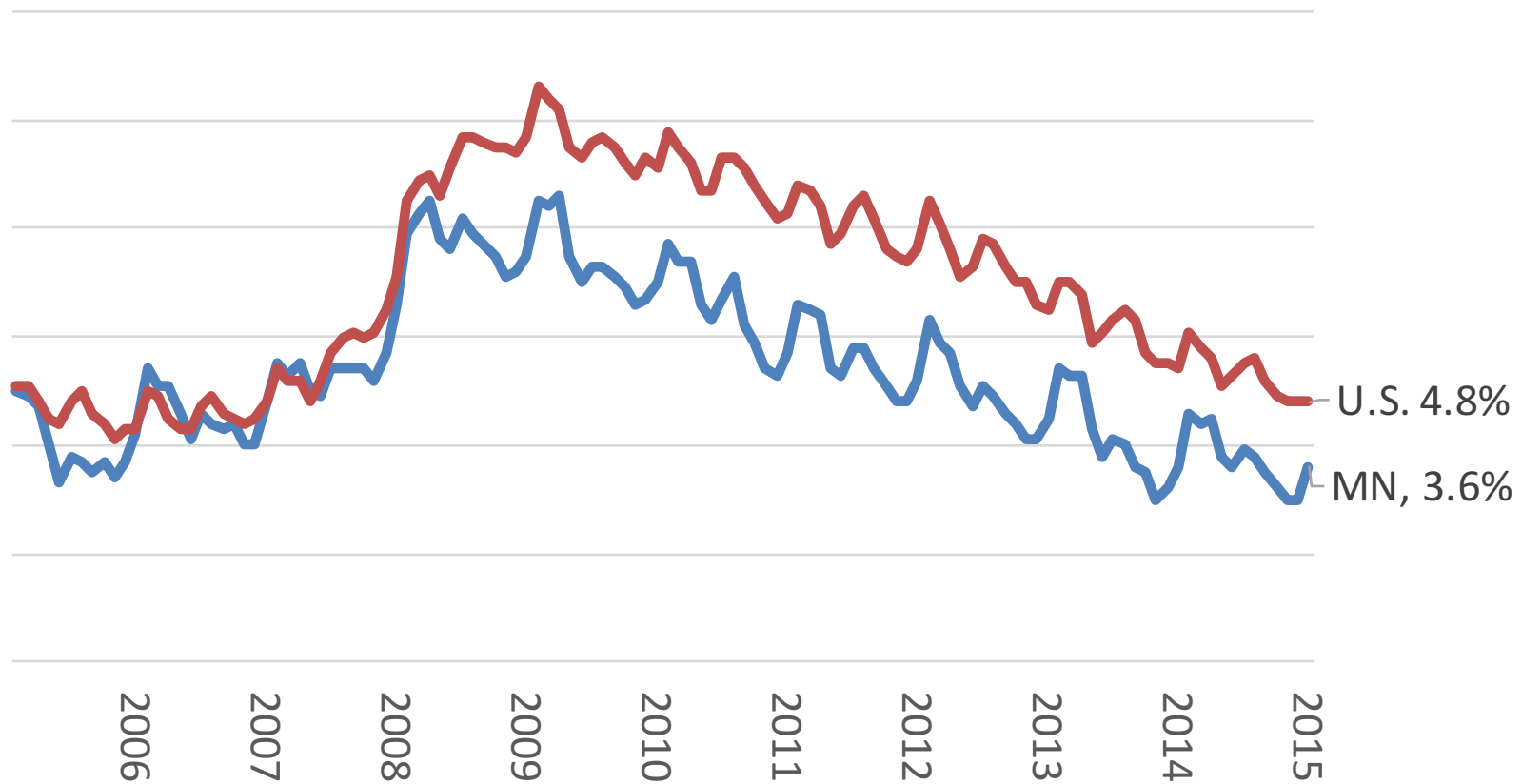
**MEDTRONIC**

**SUSAN BROWER, MINNESOTA STATE DEMOGRAPHER**

**February 2016**

# Minnesota has recovered from the recession faster than the nation

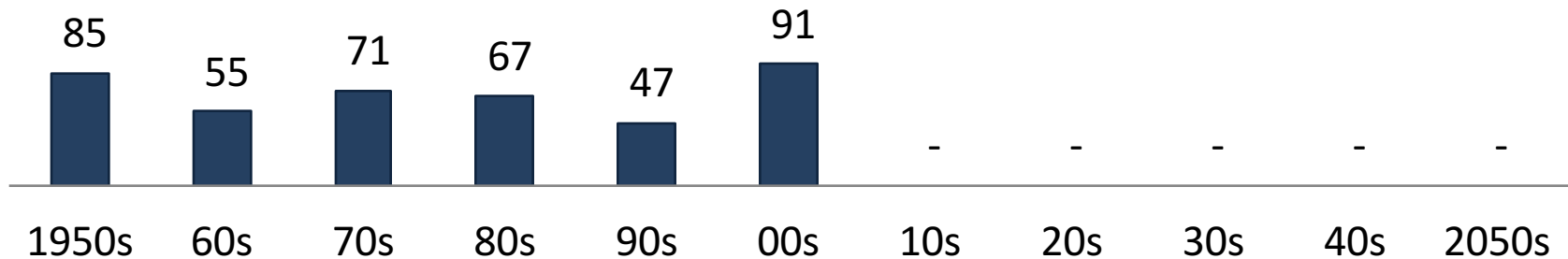
Monthly unemployment rate, 2006-2015



Source: Local Area Unemployment Statistics (LAUS) data Note: Rates are not seasonally adjusted.

# How many additional “older adults” will Minnesota gain during this decade?

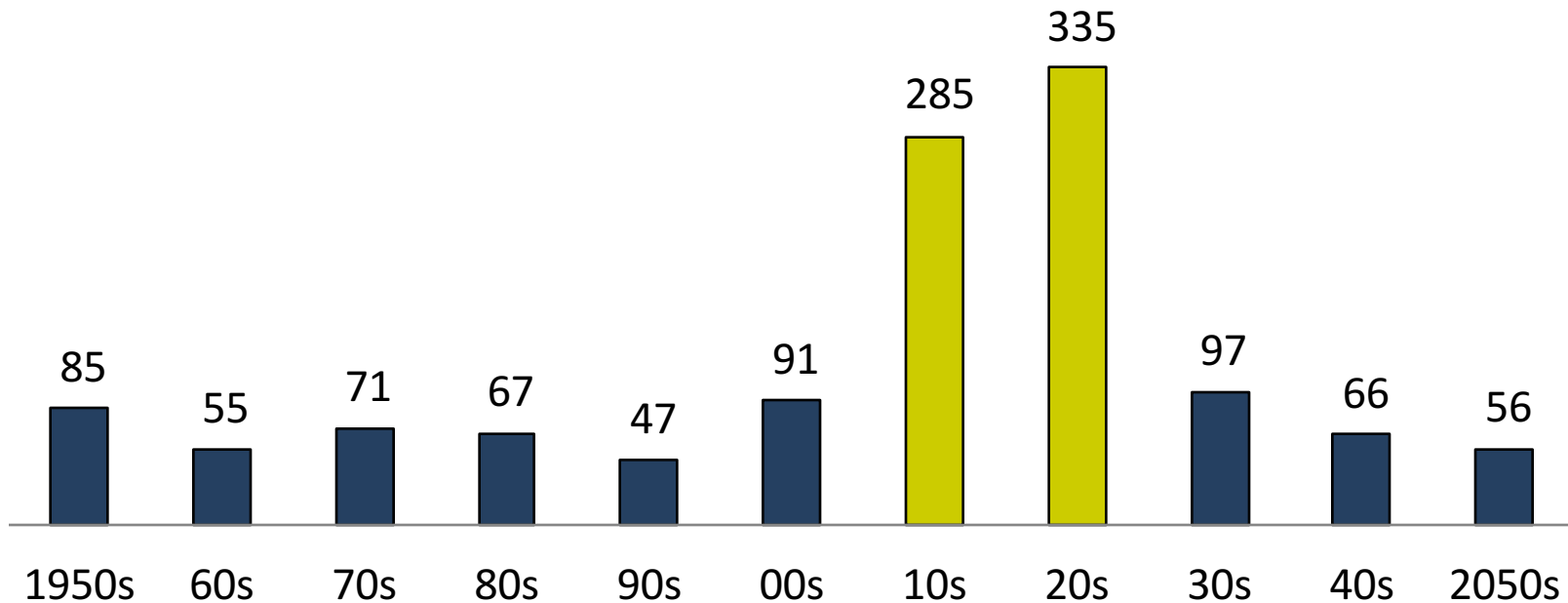
**Change in older adults, age 65+ (in thousands)**



Sources: U.S. Census Bureau

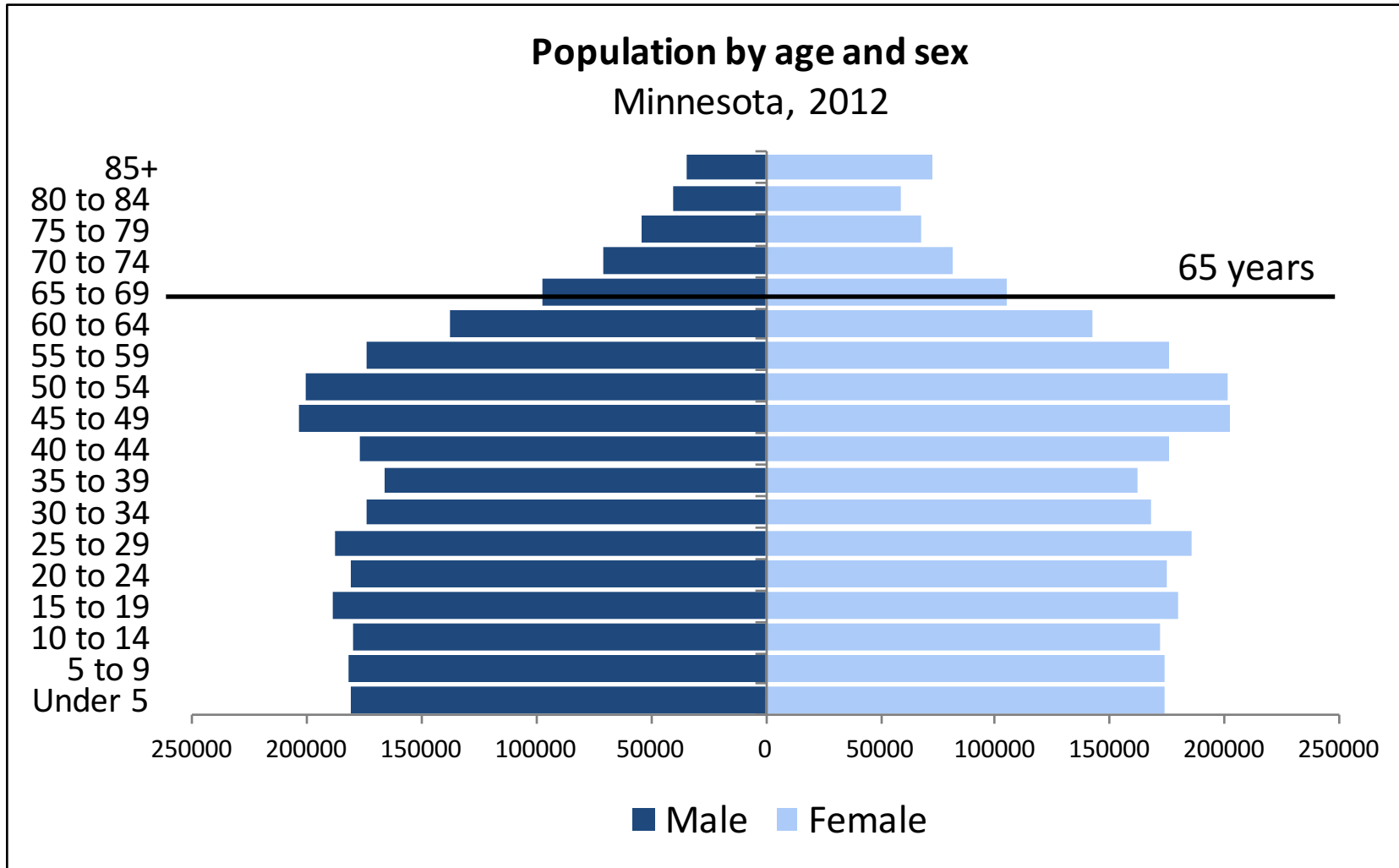
# Unprecedented increases in MN's “older adult” population

**Change in older adults, age 65+ (in thousands)**

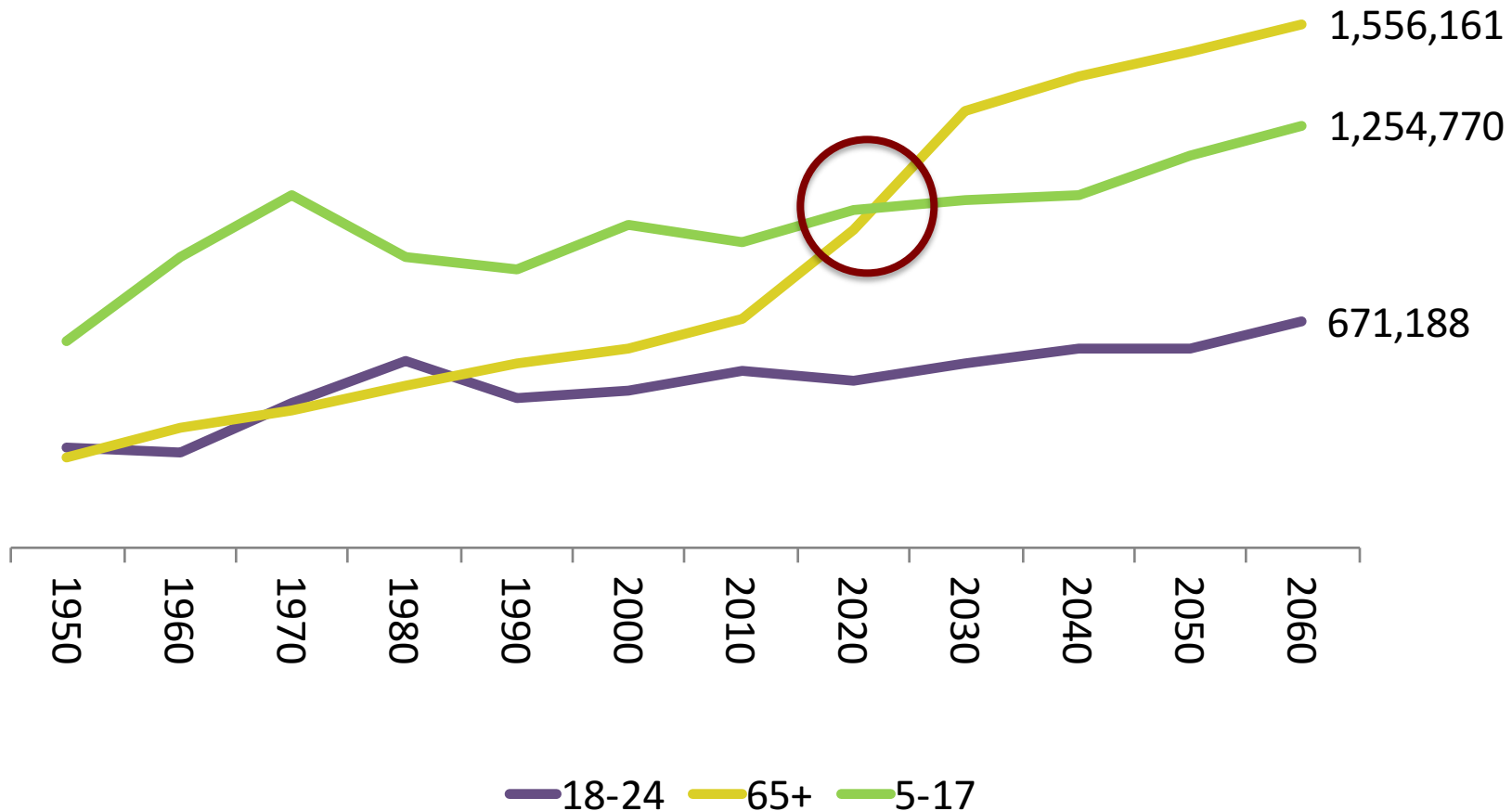


Sources: U.S. Census Bureau, MN State Demographic Center

# Why are these changes so marked now?

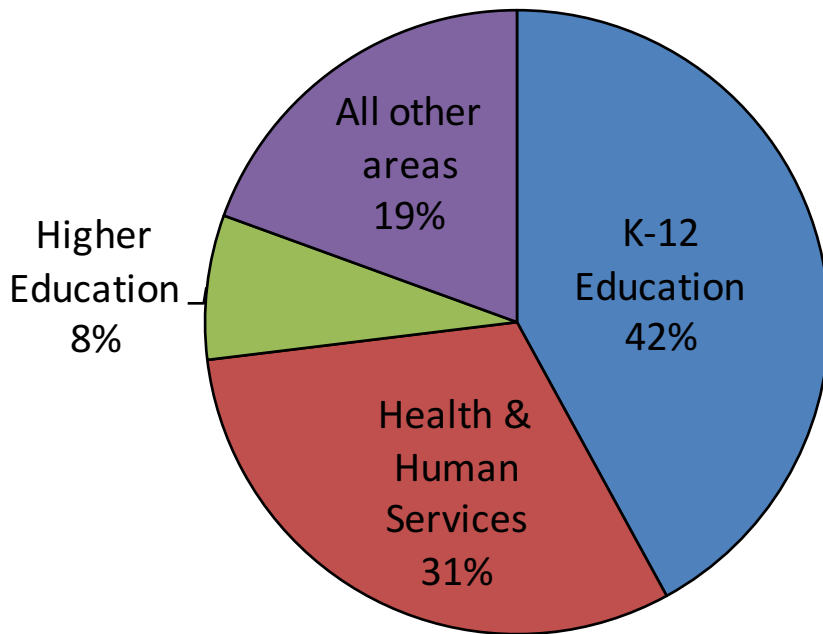


# Baby boomers age out of working ages between now and 2030



# Changing demand for public services

## General Fund Expenditures

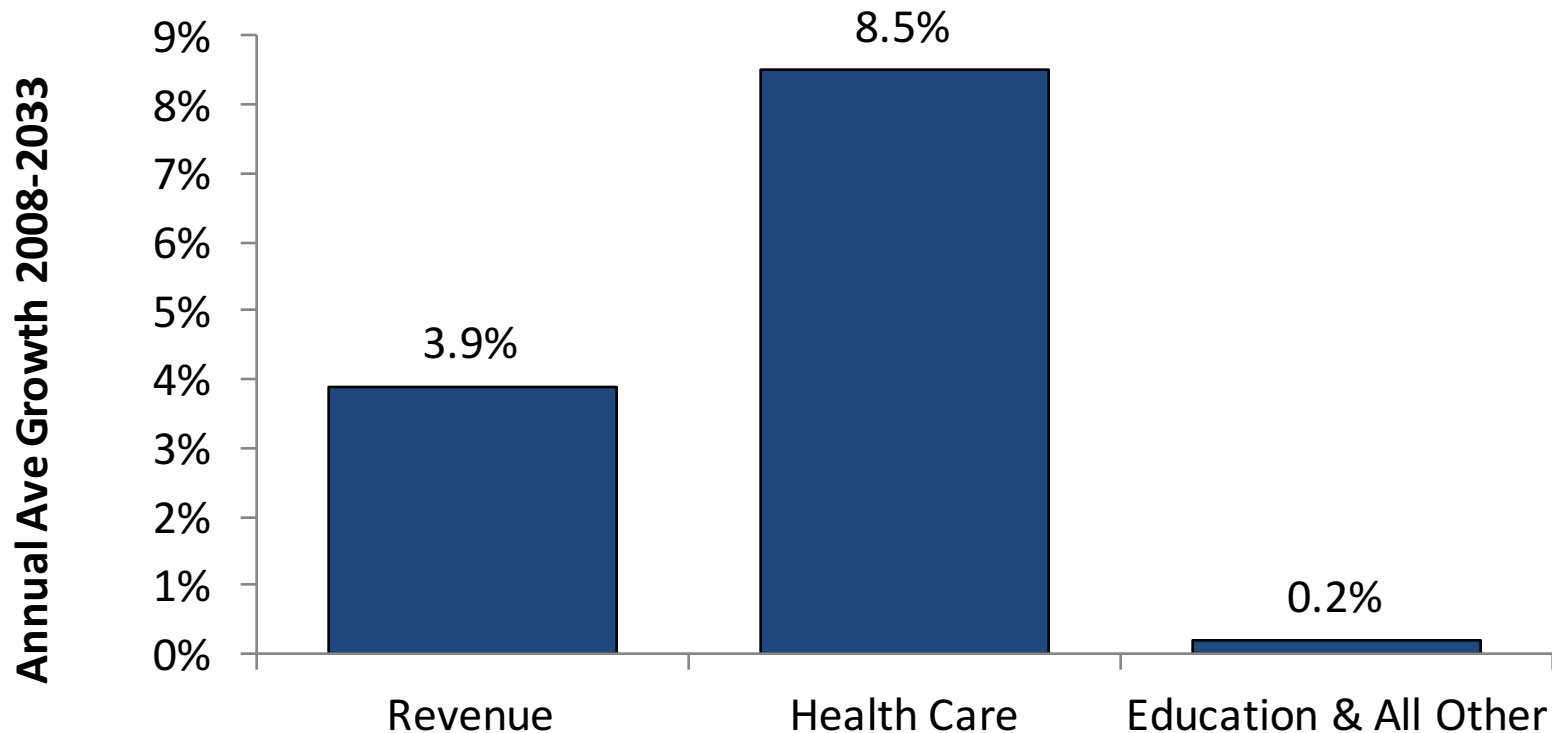


## Within Health & Human Services

- Medical Assistance Expenditures: 25% of GF spending (8.5 billion)
- Medical Assistance Expenditures for the Elderly and Disabled: 16% of GF spending (5.5 billion)
- MA expenditures include basic care, long-term care waivers and long-term institutional care

Sources: Minnesota Management and Budget, February 2013. House Research, Long-Term Care Services for the Elderly, November 2012

# If state health care costs continue unabated, other services crowded out (projected through 2033)

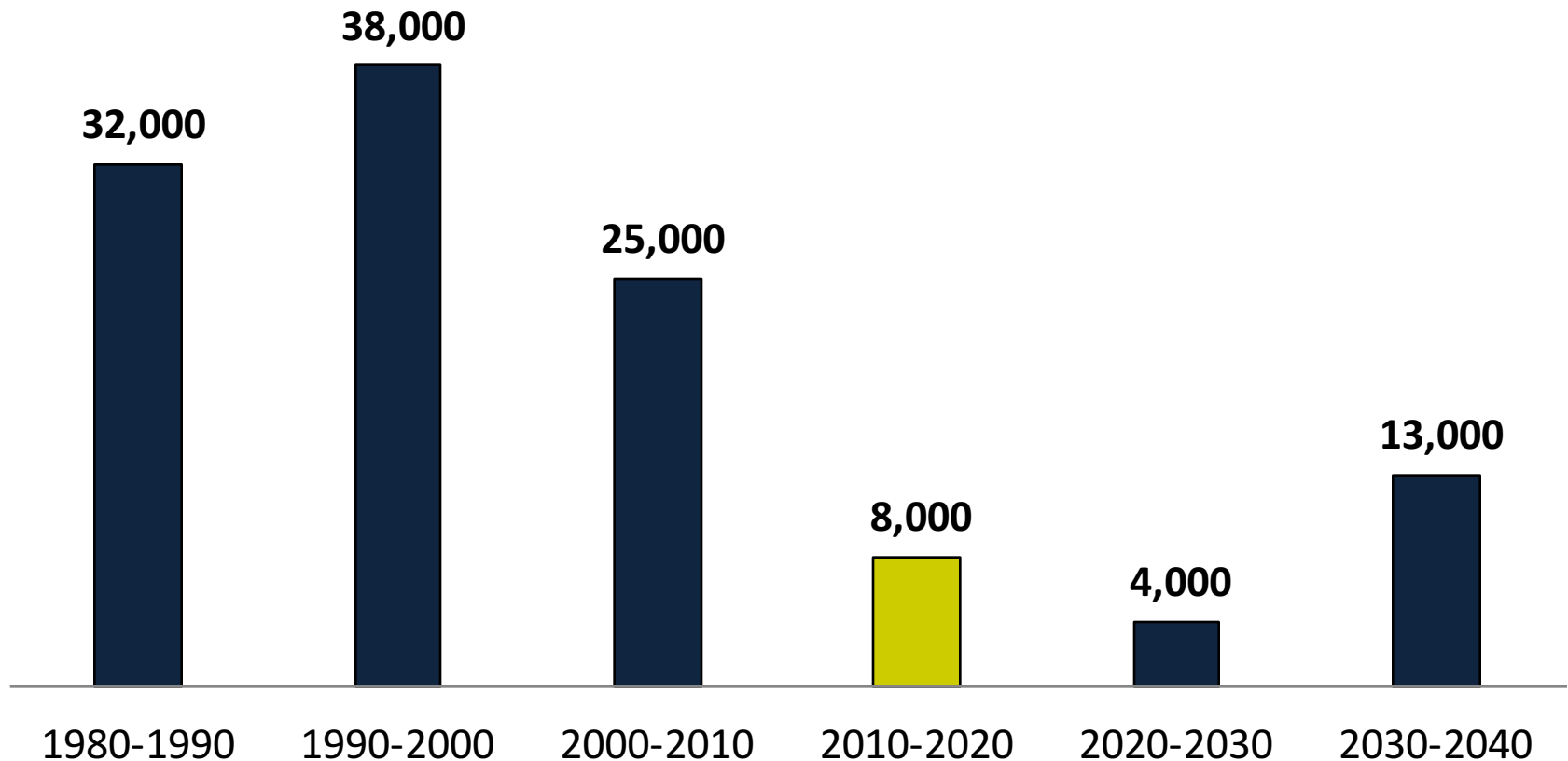


Source: General Fund Spending Outlook, presentation to the Budget Trends Commission, August 2008, Dybdal, Reitan and Broat.

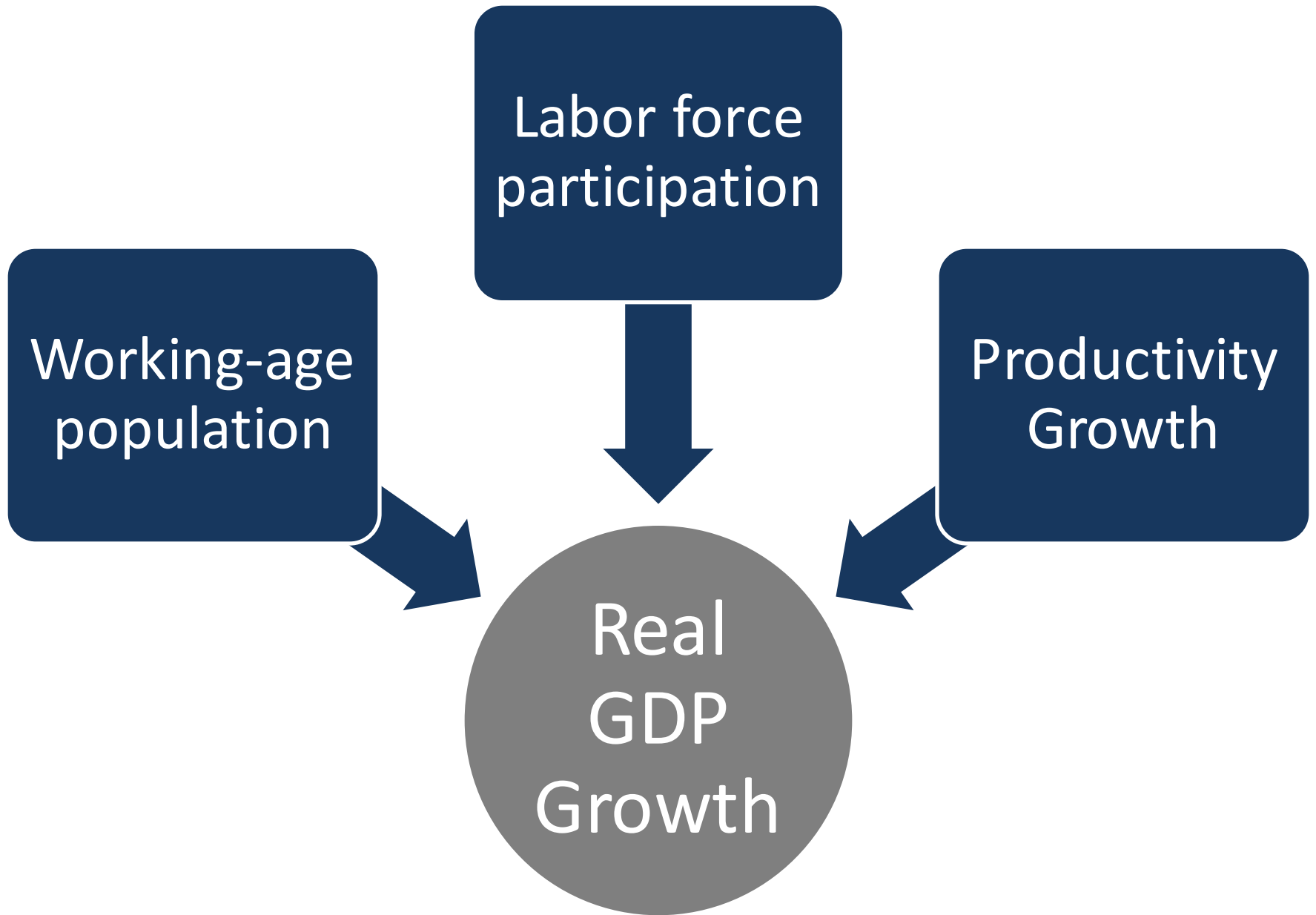


# Projected Growth in Labor Force

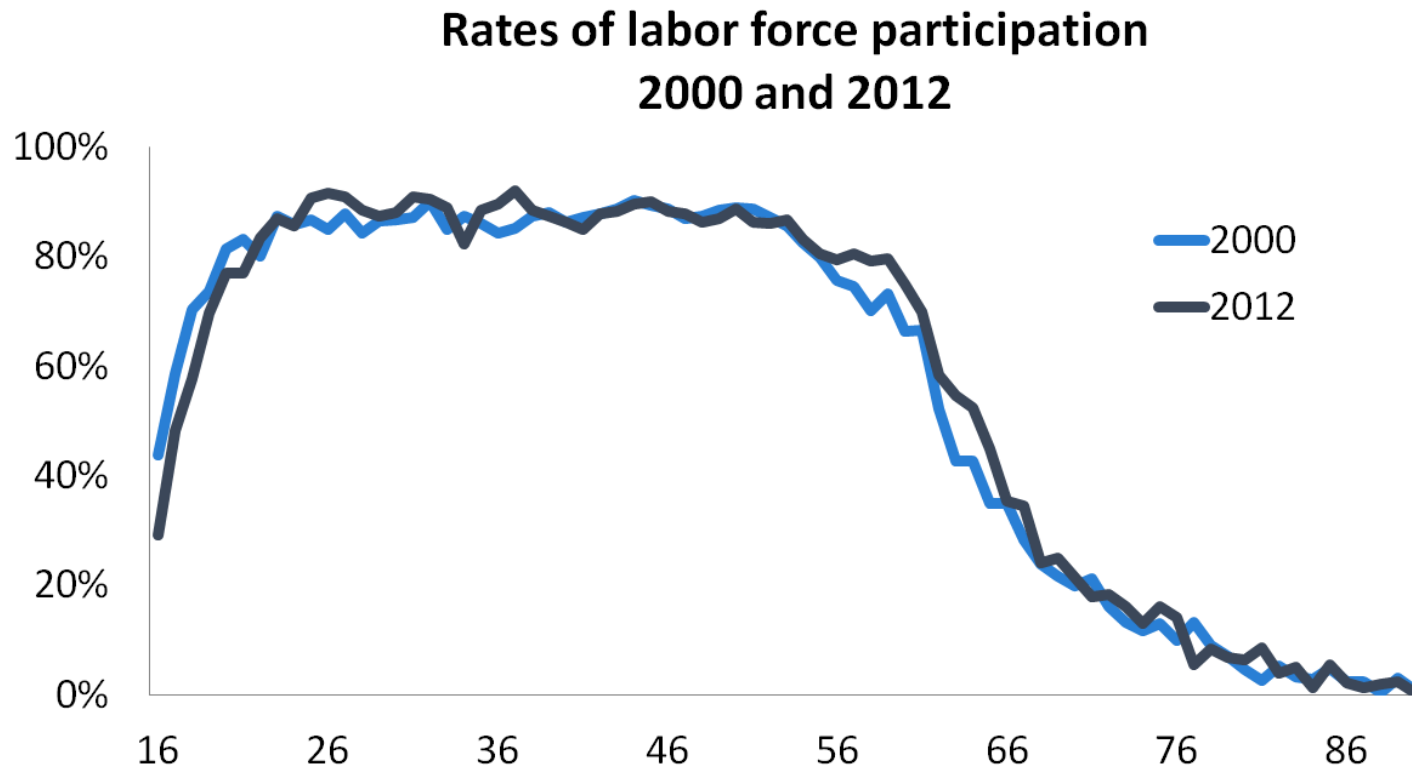
Annual Average, Ages 16+



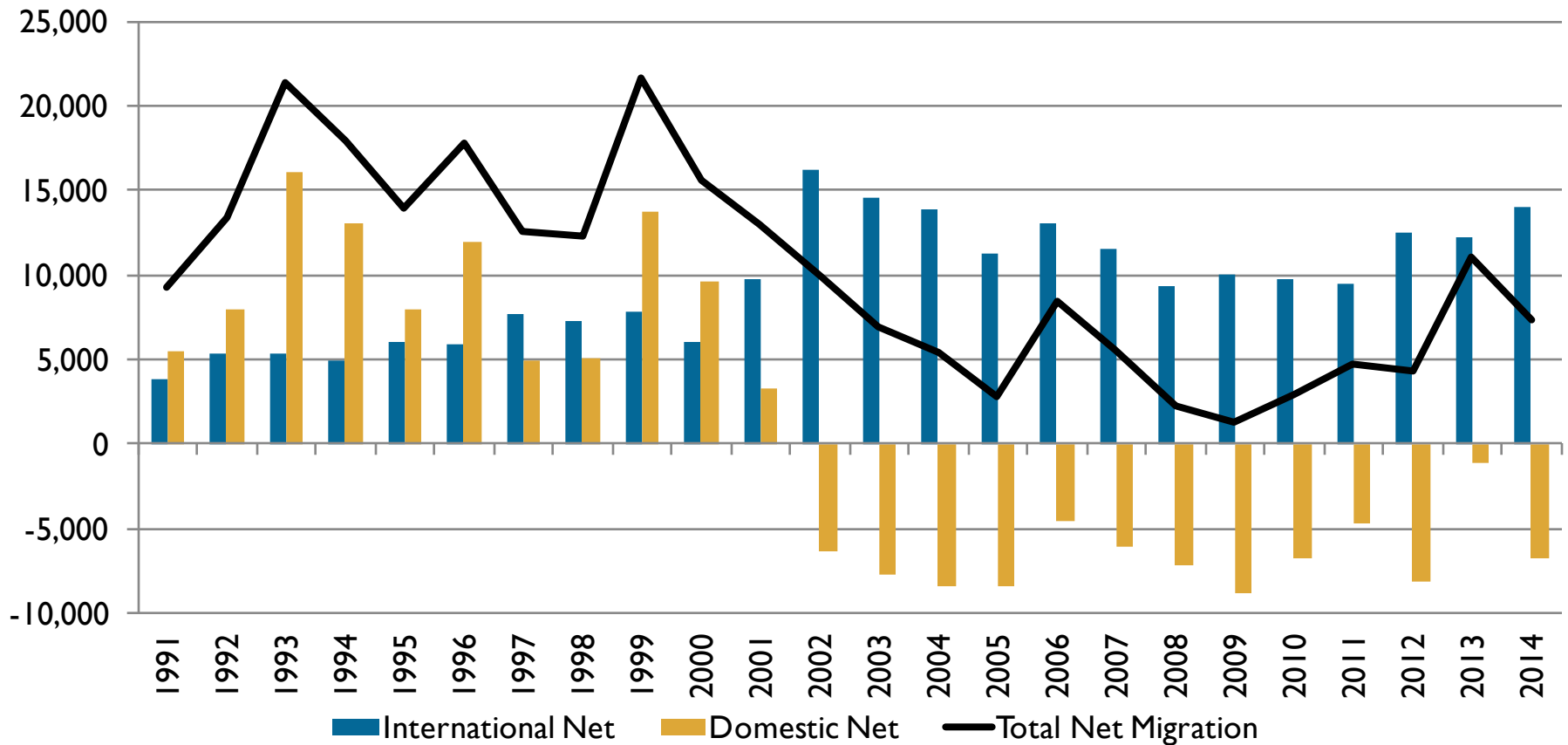
Source: U.S. Census Bureau, Minnesota State Demographic Center Projections



# Labor force participation of older adults has increased only slightly



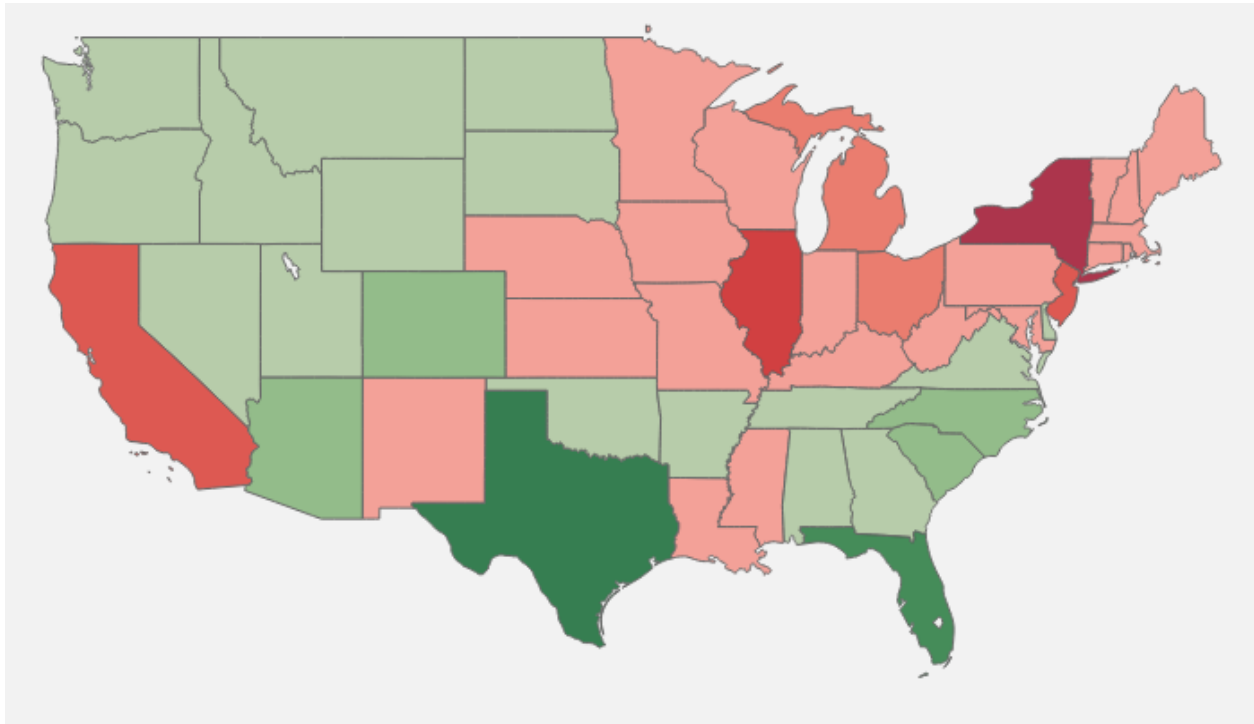
# Minnesota's net migration, by international and domestic components



Source: U.S. Census Bureau, Population Estimates Program. Note: Data for 2009-2010 was unavailable and so interpolated.

# Midwestern states tend to lose more residents to other states than it gains from other states

Domestic Net Migration, By State, April 1, 2010 – July 1, 2014



Source: U.S. Census Bureau Population Estimates Program



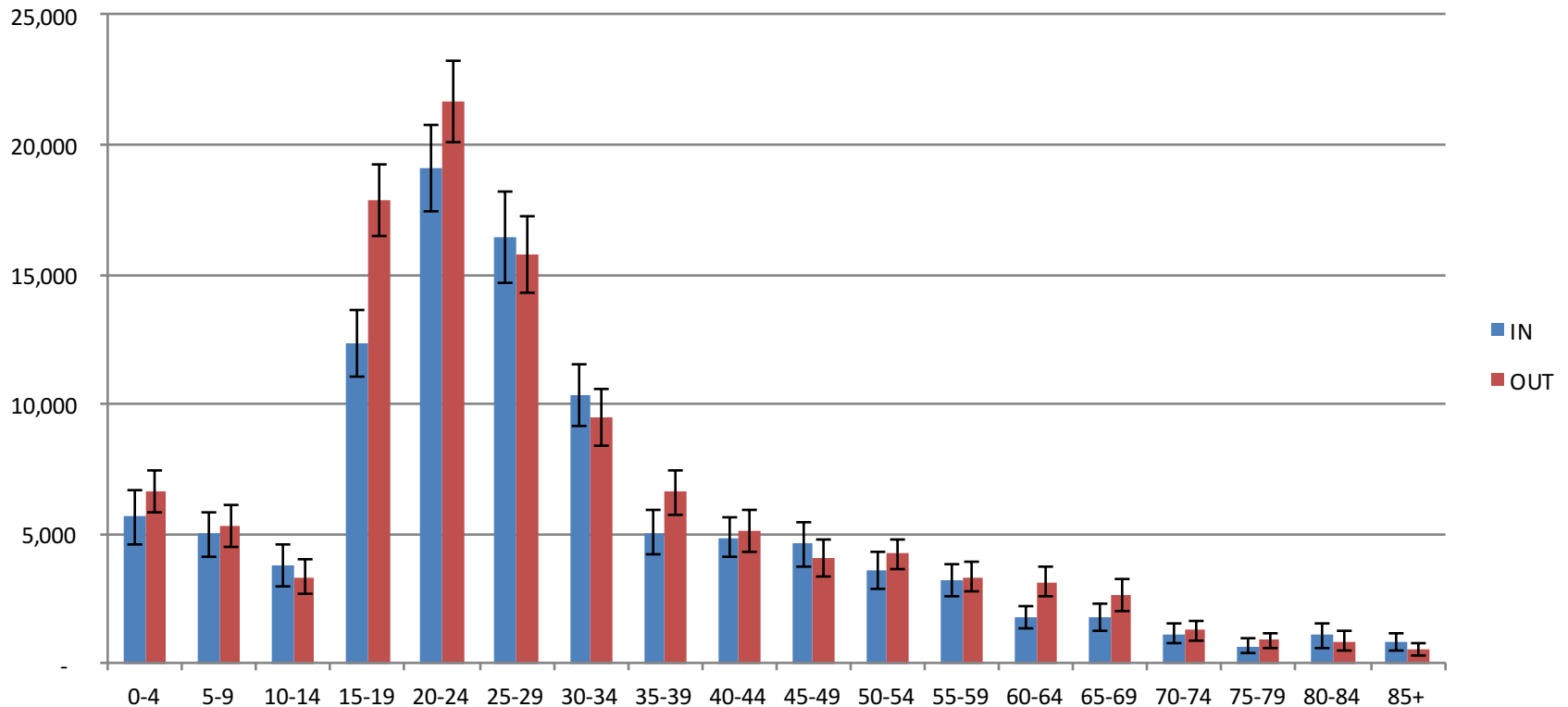
Spencer Platt, Getty Images, 2014

**Hans  
Mattson  
on  
Minnesota's  
Climate  
1872**



# Largest net losses occurring ~ age 20, less counter flow (return) after college years

State-to-state migration by age  
Minnesota, 2008-2012

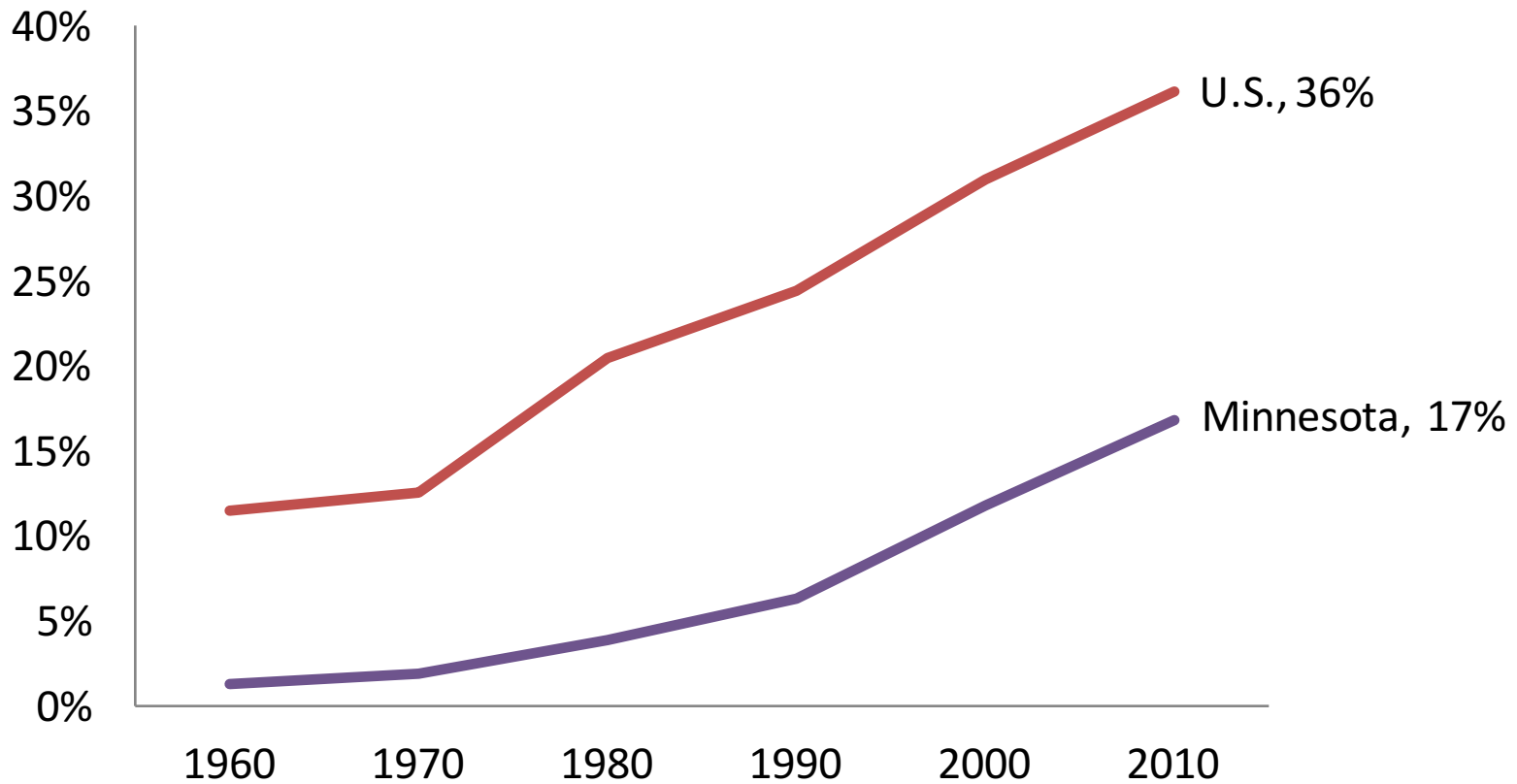


Source: IPUMS version of U.S. Census Bureau's 2008-2012 American Community Survey. Tabulations by MN State Demographic Center.



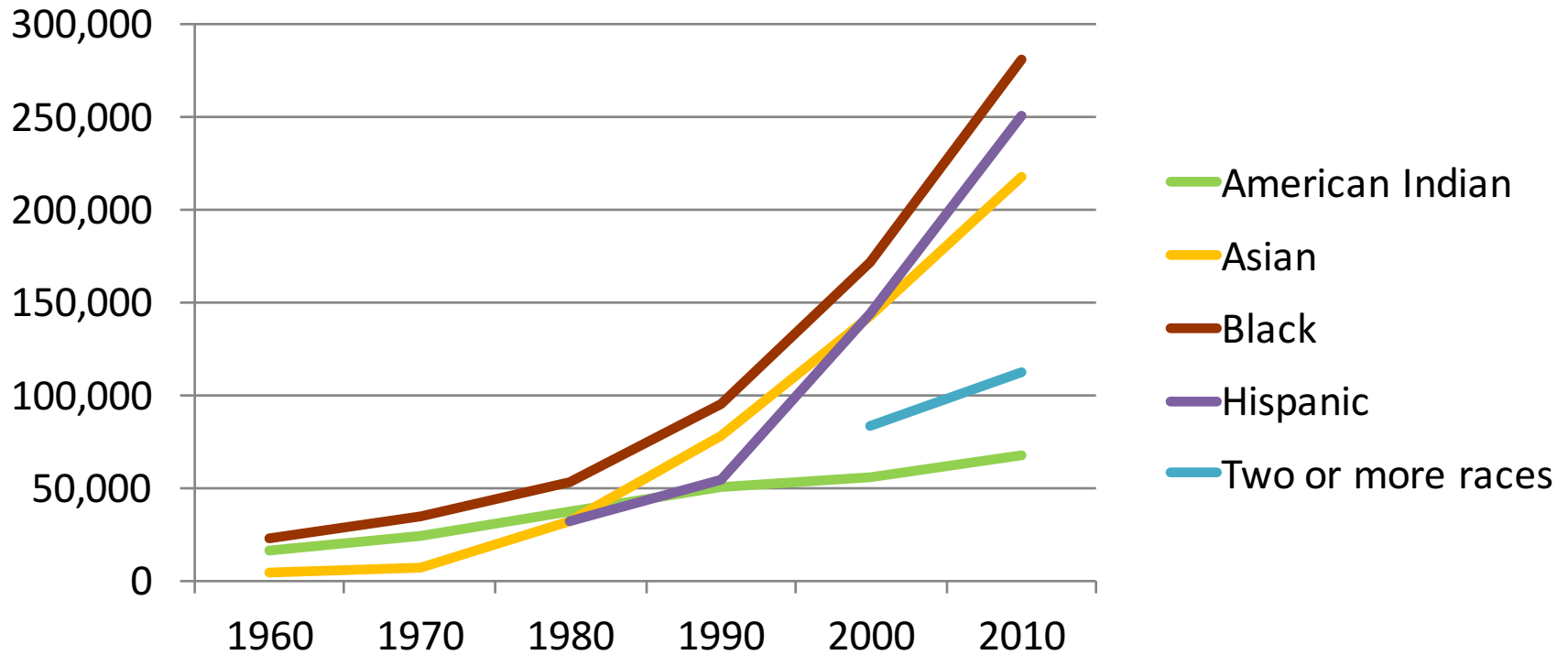
# 50 years of growing diversity

**Proportion of Color**



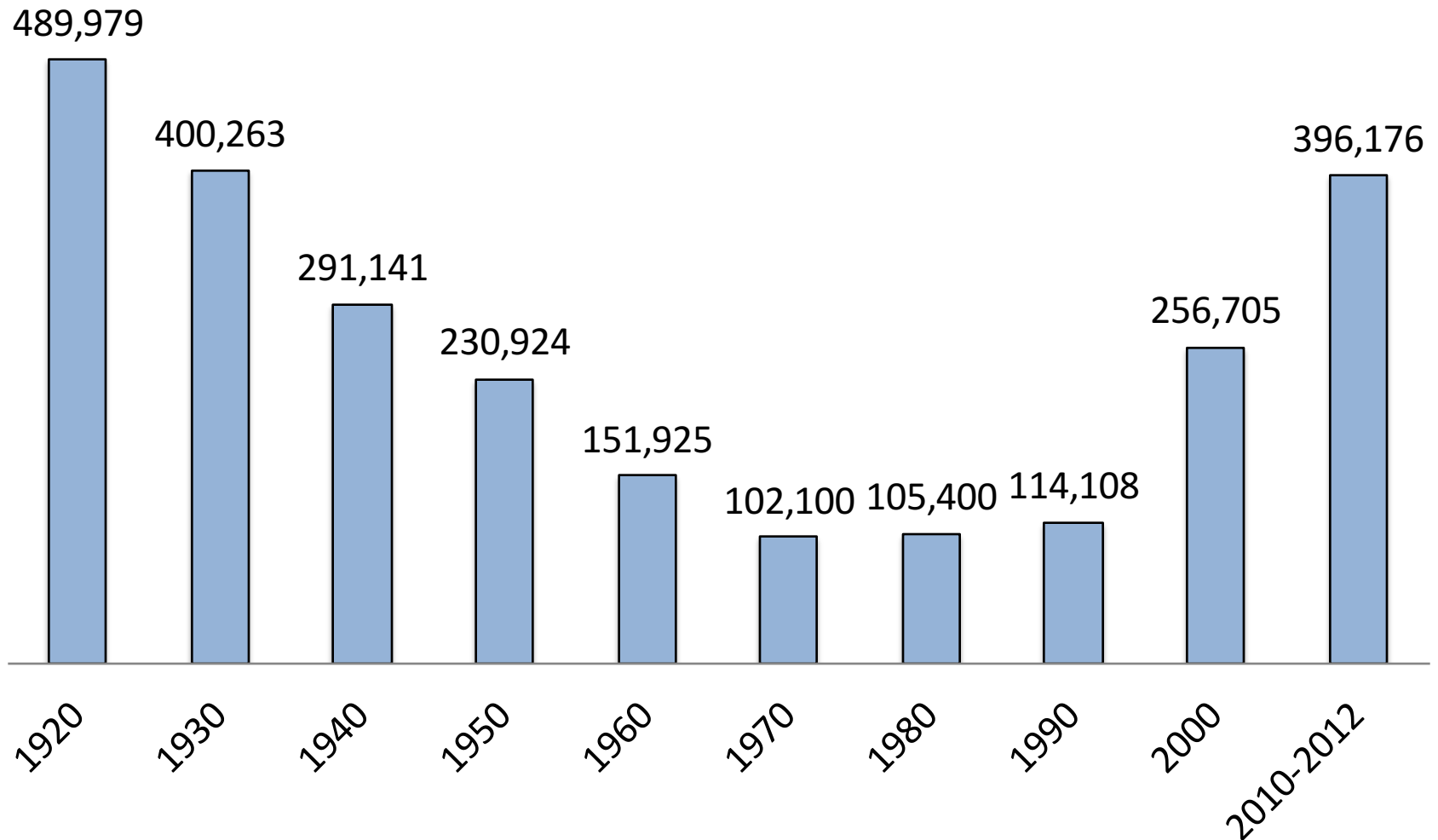
# Black, Latino and Asian populations growing rapidly

Populations of color, MN



Source: Tabulated by the Minnesota State Demographic Center from the Integrated Public Use Microdata Series

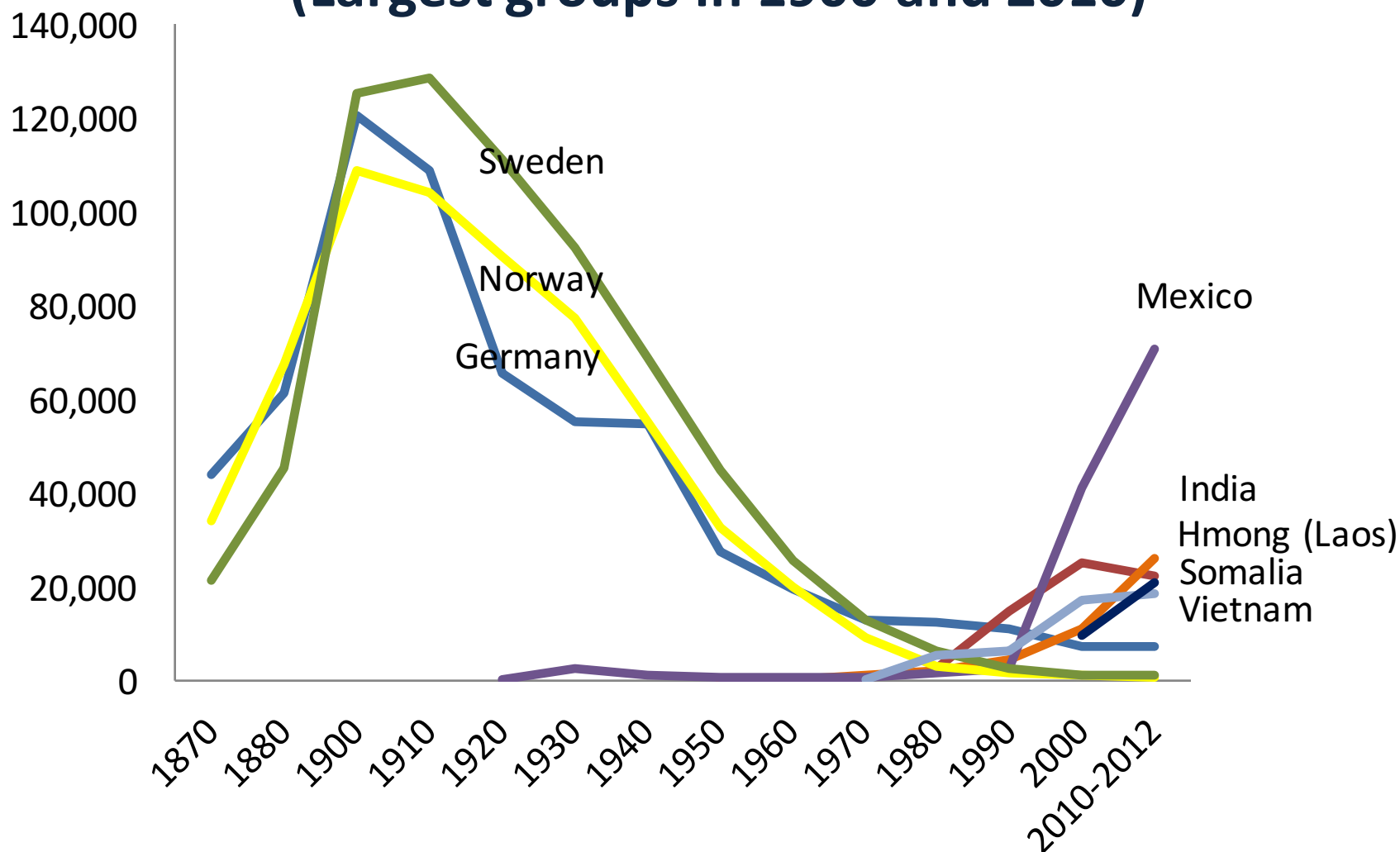
# Number of foreign born in Minnesota 1920-2012



Source: Tabulated from the Integrated Public Use Microdata Series

# Foreign born in Minnesota

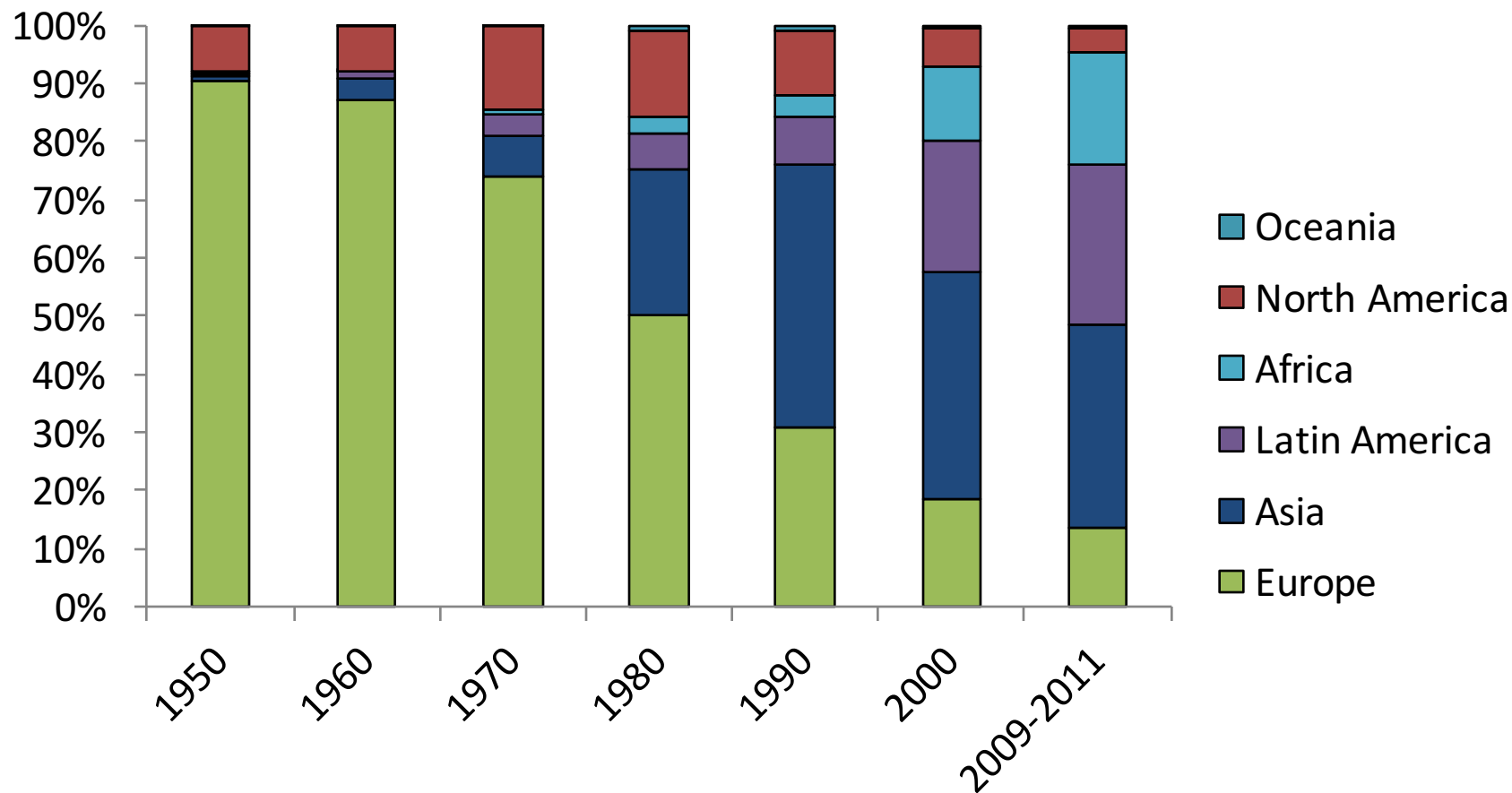
## (Largest groups in 1900 and 2010)



Source: Tabulated from the Integrated Public Use Microdata Series

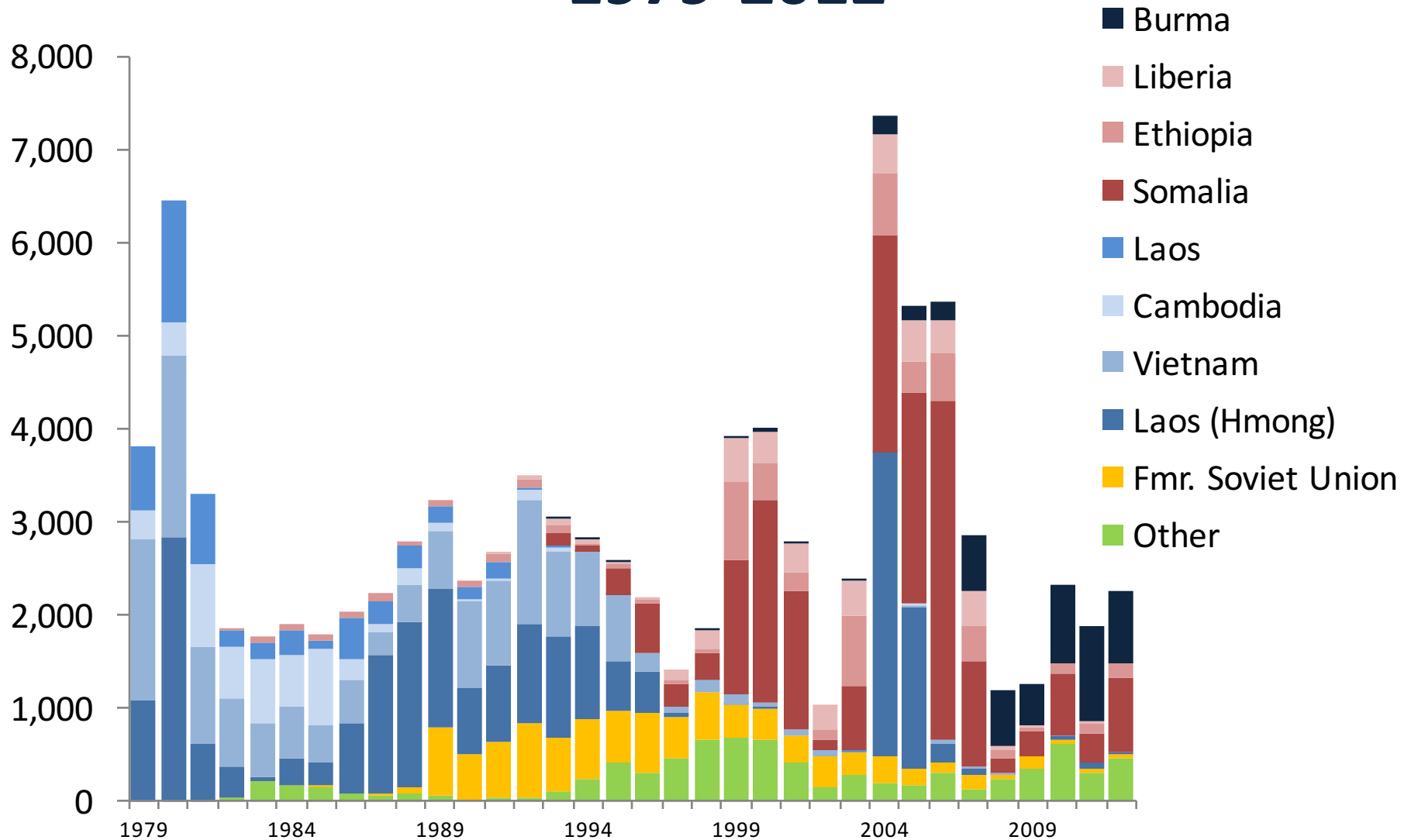


# Minnesota's foreign-born population now comes from across the globe



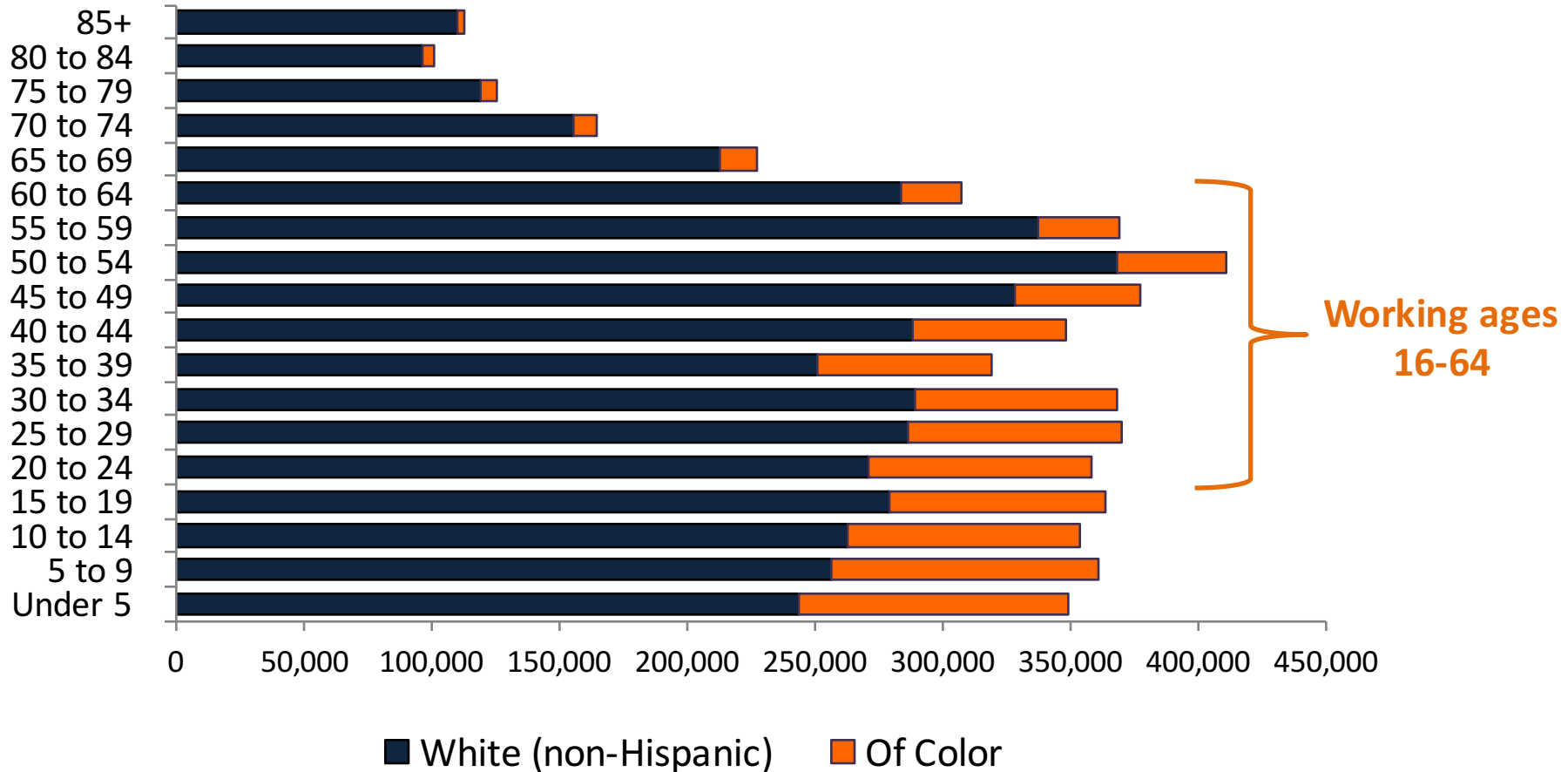
Source: Tabulated by the Minnesota State Demographic Center from the Integrated Public Use Microdata Series, U.S. Census Bureau data

# Primary refugee arrivals to MN 1979-2012



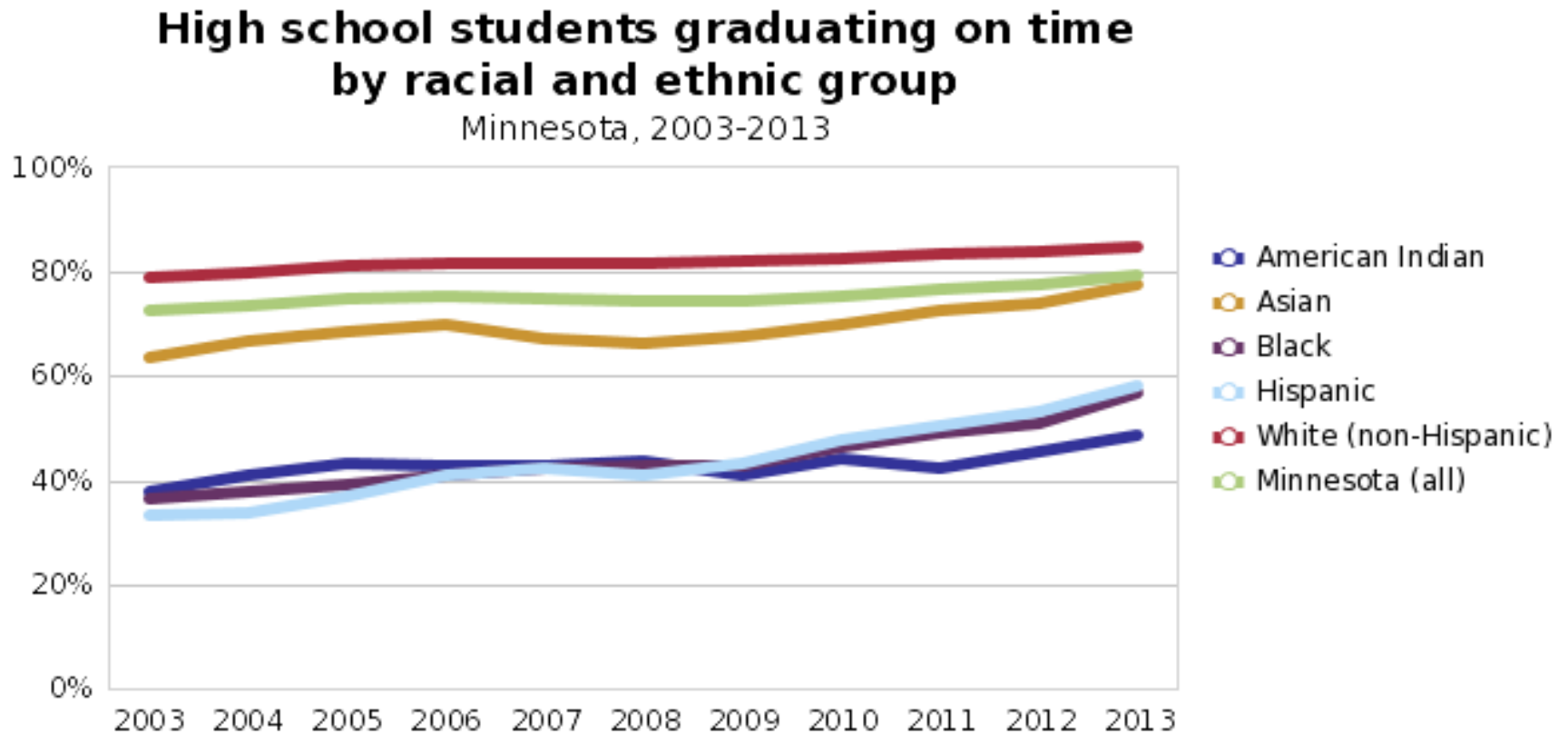
# Minnesota by race, 2012

White (non-Hispanic) and Of Color Population  
Minnesota, 2012



Source: 2012 Population Estimates, U.S. Census Bureau.

# Large gaps in educational achievement and attainment exist across racial groups



Source: Tabulated by MN Compass from Minnesota Department of Education data



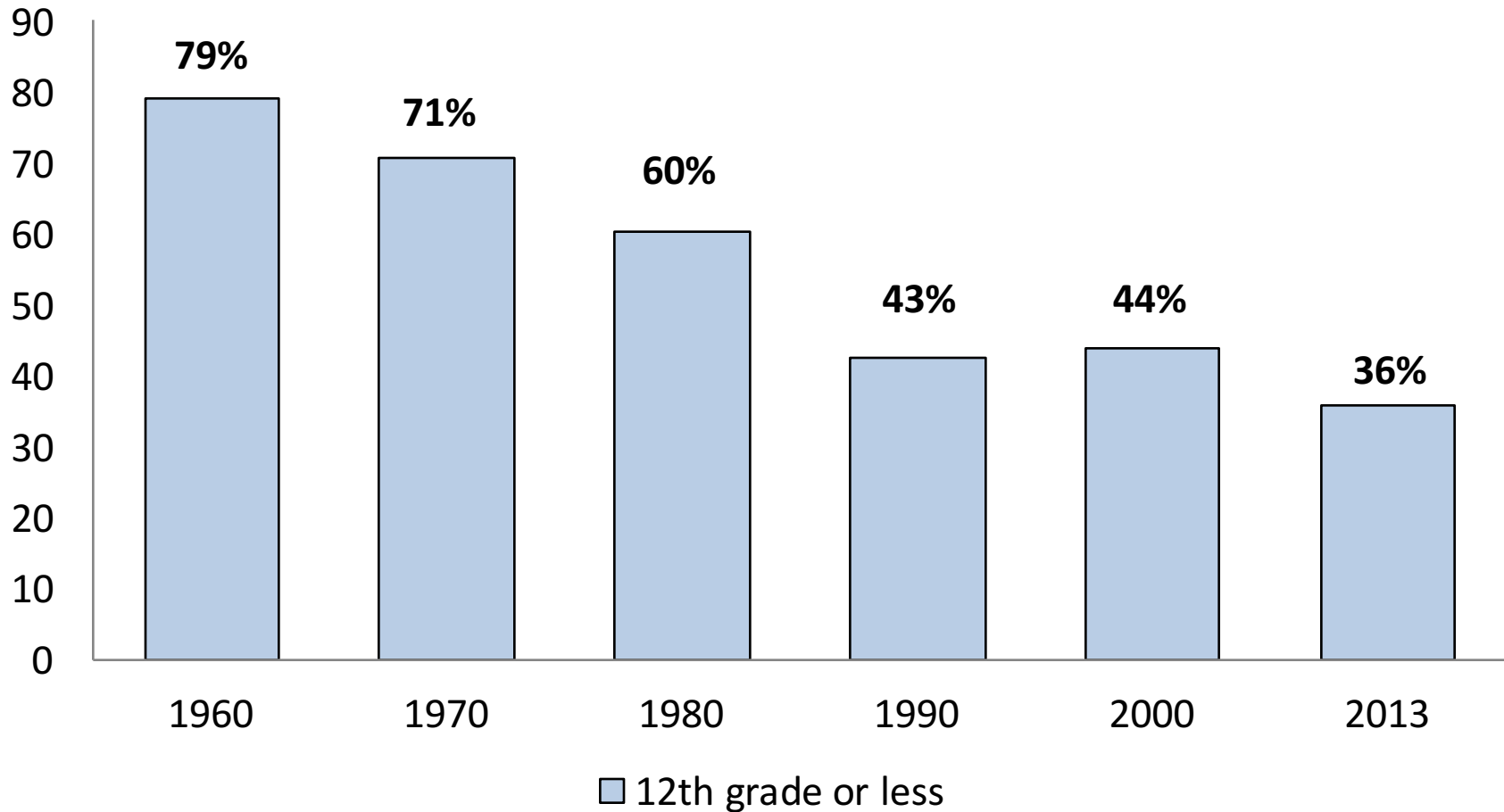
# Poverty in Minnesota for those under age 18

- 4 in 10 Black children,
- 4 in 10 American Indian children
- 3 in 10 Hispanic children
- 2 in 10 Asian children, and
- 1 in 10 White children

**LIVED IN POVERTY IN 2013**



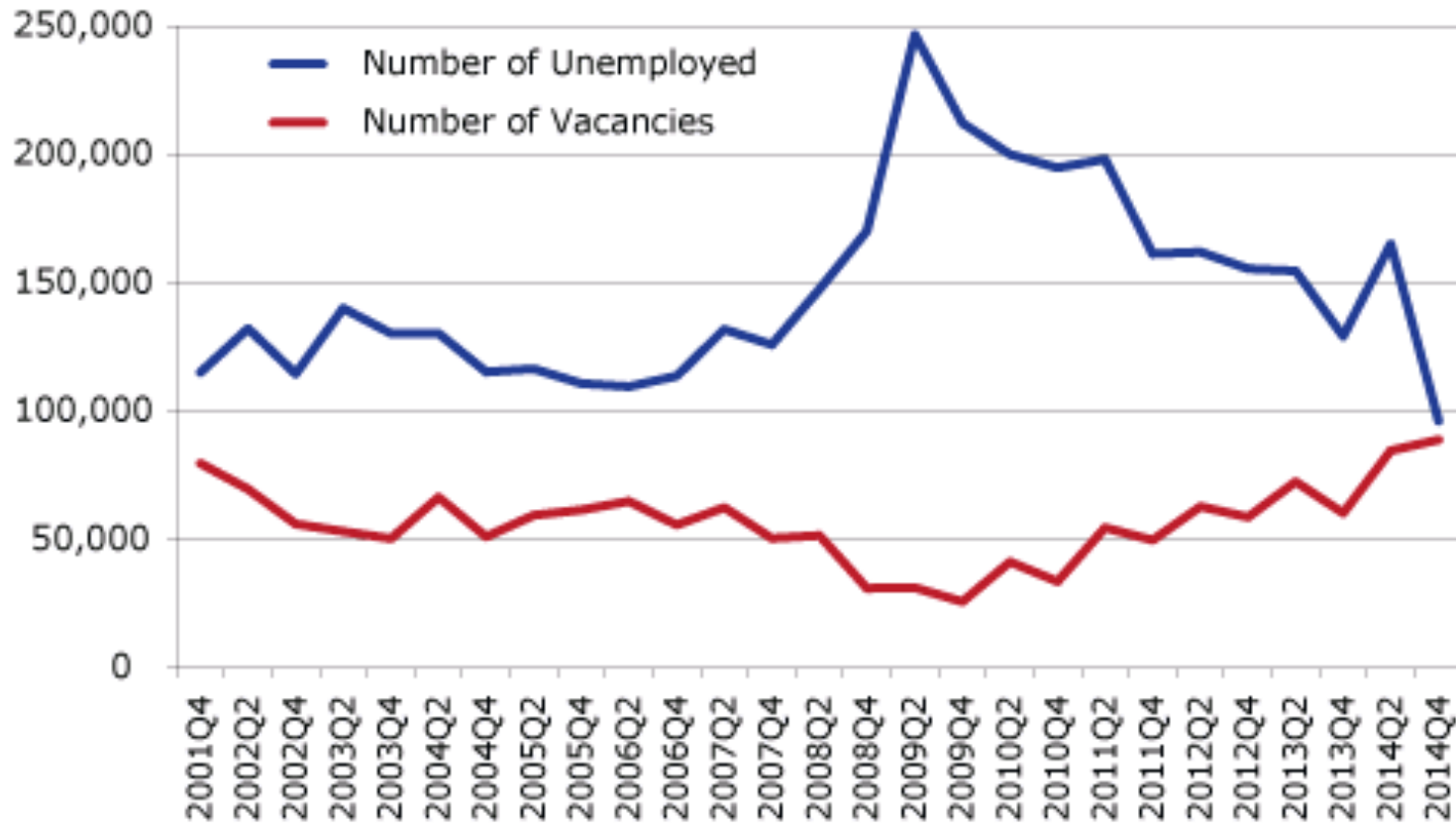
# Share of Employed Minnesotans with H.S. Education or Less



Source: Tabulated by the State Demographic Center from the Integrated Public Use Microdata Series

# Ratio of jobs to job seekers is now 1:1

**Minnesota Job Vacancies and Unemployed Workers by Quarter**



Source: Job Vacancy Survey, MN Department of Employment and Economic Development

# What does a slower growing labor force mean to MN?

- Dampened economic growth?
- No room to leave any potential worker behind (e.g. People of color, older workers, parents, people with disabilities)
- Premium put on educated, highly-skilled talent
- Employers who find and retain workers in new and creative ways win

# Closing thoughts: Demographic change will shape the future...but not completely determine it

- These data are sobering **IF** we continue to adhere to the policies and institutional arrangements that we have built for our demographic past.
- Aging trend will bring new **opportunities**; and a new **license to redesign, innovate**



Minnesota State Demographic Center

[mn.gov/demography](http://mn.gov/demography)

Twitter: @MN\_StateData

# Hans Mattson, 1872

## Of the climate he wrote:

Without treading upon the truth too closely, one can say that the climate in Minnesota is one of the healthiest in the world. ... [We] breathe in constantly a dry, fresh air, inasmuch as hazy weather is as good as unknown. Thousands of weak and suffering people arrive yearly in Minnesota to win back their health, and many leave the state as new and healthy people, during this time a number become so taken in by our naturally beautiful and healthy state that they settle themselves in peace here during the rest of their lives...There is certainly good and fruitful soil in other states [as well], but what does this help, if one cannot stand the climate and is always sick, as the case has often been with many countrymen, who have settled down in the unhealthy tracts in the South.

## Of the people he wrote:

The population in this state consists primarily of native born Americans, grown up on their farms in the old states, in the factories and the schools and of the hardened Scandinavians and Germans from the old countries rural villages, [who] from the home [are] used to hard work and good habits, and herein lies the key to the character of the population, which laid the foundation to [Minnesota]. **Law abiding, love for order and decorum, security for life and property, social equality, hard working and sober and a deep religiousness, united with the greatest tolerance and respect for others' views, make up the fundamental of the population's character.**